



James C. Pruitt
President
Federal Government Affairs

Corporate Communications
a Division of Texaco Inc

1050 17th Street NW
Suite 500
Washington DC 20036

July 2, 1997

Mr. David S. Guzy
Chief, Rules and Publications Staff
Royalty Management Program
Minerals Management Service
P. O. Box 25165
MS 3101
Denver, CO 80225-0165



Dear Mr. Guzy:

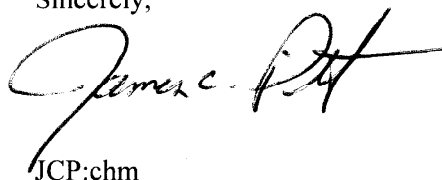
Texaco Inc. appreciates the opportunity to comment on the Minerals Management Service (MMS) Proposed Rulemaking entitled "Policy for Release of Third-Party Proprietary Information for the Administrative Appeals Process and for Alternative Dispute Resolution" (62 FR 16116, April 4, 1997). We have reviewed the proposed rule and offer the following comments.

Texaco agrees with, references, and hereby adopts as its own, the comments made by the American Petroleum Institute (API) to this rulemaking. In addition to the comments offered by the API regarding the Proposal's insufficient protection of proprietary data, Texaco suggests that § 243.17(b) be changed to limit access to proprietary information to the appellant's counsel and any consultants or clerical personnel working directly for counsel. For example, if proprietary information regarding the marketing of oil and gas is provided, the information could not be disclosed to those individuals responsible for competitive decision making regarding marketing. Each qualified individual seeking access to the proprietary information should be required to sign an administrative protective order governing the terms of the disclosure.

This suggestion tracks the procedure used by the International Trade Commission and the Commerce Department in disclosing proprietary information in antidumping disputes. See 19 C.F.R. §§ 207.7(a)(2) & 353.34 (1996). Under the Commerce regulations, no proprietary information may be disclosed without an administrative protective order which limits distribution and disclosure of the information to attorneys, either inside or outside, as well as their consultants and clerical personnel. A similar procedure could help MMS achieve the dual goals of protecting confidential commercial information and providing appellants with the full range of information needed for their appeals.

Texaco trusts that the MMS will give these comments serious consideration prior to promulgating a final rule.

Sincerely,


JCP:chm